

City of Rockford Community & Economic Development Department

City Hall – 2nd Floor

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www.rockfordil.gov

Business Hours: 8:00 a.m. to 5:00 p.m. (Monday – Friday)

The City of Rockford Community & Economic Development Department (City) makes housing affordable by providing assistance to developers to construct and rehabilitate homes and to buyers to assist with the acquisition. Since the U.S. Department of Housing and Urban Development (HUD) provide these funds, certain requirements must be met. Some of the basic qualifications and the application process have been indicated below.

To learn more about the current homes available, please contact:

| Name of Developer and/or Development | Who to Contact: | Property Address |
|---|--|---|
| Comprehensive Community Solutions, Inc. | Century 21 Country North Margaret Archer 815-988-8821 | 2028 Elm Street 913 N. Rockton |
| Comprehensive Community Solutions, Inc./Lincolnwood Estates Subdivision | Century 21 Country North Margaret Archer 815-988-8821 | 209 Waveland |
| Comprehensive Community Solutions, Inc./Youthbuild Rockford Construction, LP | Comprehensive Community Solutions, Inc. Youthbuild of Rockford Judith Eikstadt Housing Development Coordinator 815-963-6236 | 218 Concord Avenue 220 Concord Avenue 3423 Chestnut Street 727 S. Pierpont |
| Pilgrim's Promise | Al Goode President 815-986-9426 | 1XXX Island Avenue |

The money provided to the buyers as downpayment and/or closing cost assistance will be in the form of a 5-year forgivable mortgage loan. 20% of the loan will be forgiven annually on the anniversary of the closing date.

QUALIFICATIONS:

- **Household Income:**

- ✓ Buyer's household income, income of everyone over the age of 18, must be at or below 80% of median income.
- ✓ 80% of median income is subject to change annually.

- ✓ See Projected Income Inclusions/Exclusions for more details on what income is included or not included when the City is determining income eligibility.

80% of Median income:

| Household Size | Income Cannot Exceed: |
|-----------------------|------------------------------|
| 1 | \$35,600 |
| 2 | \$40,650 |
| 3 | \$45,750 |
| 4 | \$50,800 |
| 5 | \$54,900 |
| 6 | \$58,950 |
| 7 | \$63,000 |
| 8 | \$67,100 |

- **Homebuyer Training:**
 - ✓ Buyers must provide a certificate of completion of homebuyer classes offered through Family Credit Management, the Rockford Area Affordable Housing Coalition (RAAHC), or the Rockford Housing Authority prior to purchasing the property.
 - ✓ For the purpose of the City programs, a certificate expires 3 years from the date on the Certificate.
- **First Mortgage Financing:**
 - ✓ Buyers may use a lender of their choice.
 - ✓ Housing ratio must be at or below 30%.
 - ✓ Debt to income ratio must be at or below 41%.
 - ✓ Buyers must qualify for 30 year fixed conventional or FHA mortgage.
- **At Closing:**
 - ✓ Buyers may not receive cash back, with the exception of any pre-paid costs, and property tax credits over and above the reserves required.
 - ✓ Closing costs (not including prepaid charges & reserves, i.e. interest and escrows) may not exceed 5% of the 1st mortgage loan amount.

PROCESS:

1. Buyers and/or Buyer's Agents contact the appropriate contact person (indicated above) based on the housing units the Buyer is interested in purchasing. They will learn about the development and how to obtain an application.
2. Buyers complete and submit pre-application to the City. There is no application fee.
3. Within 2 weeks the buyers will be contacted to schedule an interview. At the interview the buyers will be requested to bring the following:
 - **Income verification** of all persons over the age of eighteen (18) who anticipate living at the new residence. This may include, but is not limited to check stubs, social security statements, child support statements, pension, etc.;

- **Deposit account statements:** Six (6) most recent months of checking account statements. One (1) statement from all savings accounts including IRA, Stocks, Bonds statements, etc.;
- **Drivers License or state ID;**
- **Social Security Card**
- **Tax Returns** – most recent year of tax returns and W-2's, and;
- **Divorce Decree** (if applicable).

NOTE: If separated, the buyer's spouse will be requested to supply the above information and they will be requested to sign a Homestead waiver.

4. Buyers will be interviewed.
5. City then determines if the buyers are qualified. If qualified, the City will provide the buyers with the approval to show their developer, realtor, etc. Depending on the property, a closing will be scheduled, or new construction may begin.